

Arizona Historical Society

	FY 2014 ACTUAL	FY 2015 ESTIMATE	FY 2016 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	51.9	51.9	51.9
Personal Services	1,133,700	1,227,900	1,227,900
Employee Related Expenditures	492,700	529,900	529,900
Professional and Outside Services	58,400	18,300	18,300
Travel - In State	3,300	0	0
Other Operating Expenditures	427,100	341,200	341,200
Equipment	1,300	0	0
OPERATING SUBTOTAL	2,116,500	2,117,300	2,117,300
SPECIAL LINE ITEMS			
Arizona Experience Museum	428,300	428,300	428,300
Field Services and Grants	66,000	66,000	66,000
Papago Park Museum	544,200	544,400	544,400
AGENCY TOTAL	3,155,000	3,156,000	3,156,000
FUND SOURCES			
General Fund	3,155,000	3,156,000	3,156,000
SUBTOTAL - Appropriated Funds	3,155,000	3,156,000	3,156,000
Other Non-Appropriated Funds	1,118,900	1,177,400	1,109,400
Federal Funds	16,800	100	1,900
TOTAL - ALL SOURCES	4,290,700	4,333,500	4,267,300

AGENCY DESCRIPTION — The Arizona Historical Society acquires, preserves, maintains, and publicly exhibits archival and museum objects pertaining to the history of Arizona, the West, and the Indian tribes inhabiting the state. The Society's major museums are in Yuma, Flagstaff, Tucson, Phoenix, and Tempe (Papago Park).

Operating Budget

The Baseline includes \$2,117,300 and 40.4 FTE Positions from the General Fund in FY 2016 for the operating budget. These amounts are unchanged from FY 2015.

Arizona Experience Museum

The Baseline includes \$428,300 and 1 FTE Position from the General Fund in FY 2016 for the Arizona Experience Museum. These amounts are unchanged from FY 2015.

This line item funds personnel and rent of the Arizona Experience Museum. This facility was formerly the Arizona Mining and Mineral Museum on the Capitol Mall and was operated by the Department of Mines and Mineral Resources.

The museum closed May 1, 2011 for renovations and the Department of Mines and Mineral Resources was eliminated as a state agency in FY 2012. The Arizona Historical Society (AHS) does not currently plan to reopen the facility; however, rent is still paid on the vacant 18,000-square-foot property and a Curator position is

maintained to care for the mineral collection. Of the total appropriation for the Arizona Experience Museum, \$360,800 is used to pay rent and the remaining \$67,500 is used to fund the Curator position. In October 2014, AHS opened an exhibition at the Papago Park Museum utilizing a portion of the mines and mineral collection. The remainder of the collection remains at the former Mining and Mineral Museum's facility.

The FY 2015 General Appropriation Act contained a footnote requiring AHS and the Department of Administration (ADOA) to submit a joint report before November 28, 2014 to the Joint Legislative Budget Committee (JLBC) with options and a recommendation for use of the vacant building. The report raised 4 options for the former Arizona Mining and Mineral Museum.

- 1) Re-open the Arizona Mining and Mineral Museum: Cost of \$2.1 million related to significant building system upgrades and space reconfiguration.
- 2) Convert the space into offices: Cost of \$3.1 million for renovations, upgrades to building systems, and relocation of memorabilia and equipment. This would

- result in a building containing approximately 123 workstations, including primarily cubicle space.
- 3) Sell the facility: One-time revenue (savings) of \$2.9 million. If the buyer were to convert the space to non-museum use, ADOA would incur costs related to relocating mining related memorabilia and equipment.
 - 4) Keep the facility closed: No cost compared to JLBC Baseline. However, AHS would still continue to pay ADOA rent of \$360,700 per year.

ADOA and AHS have both mutually selected Option 4 as the preferred option for the former Arizona Mining and Mineral Museum. The agencies note that while Options 2 and 3 may repurpose the museum, the state would still face costs associated with relocating and storing the current mineral collections. (*Please see Other Issues for Legislative Consideration for more information.*)

Field Services and Grants

The Baseline includes \$66,000 and a 0.4 FTE Position from the General Fund in FY 2016 for Field Services and Grants. These amounts are unchanged from FY 2015.

This line item funds contracts with certified county historical societies for services to be performed for the benefit of the state.

Papago Park Museum

The Baseline includes \$544,400 and 10.1 FTE Positions from the General Fund in FY 2016 for the Papago Park Museum. These amounts are unchanged from FY 2015.

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FORMAT — Operating Lump Sum with Special Line Items by Agency

FOOTNOTES

Deletion of Prior Year Footnotes

The Baseline would delete the footnote requiring the Arizona Historical Society and the Department of Administration to submit a joint report to the Joint Legislative Budget Committee on the options for use of the now-vacant Mining and Mineral Museum at 1502 West Washington Street.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Experience Museum and Centennial Special Plate Funds
A.R.S. § 28-2448 established the centennial specialty license plate, which requires a \$25 fee. Of the \$25 fee, \$8 is for special plate administration costs, and \$17 is a donation for the Centennial Special Plate Fund. Beginning in FY 2013, permanent law required the Arizona Department of Transportation (ADOT) to make annual distributions of the monies in the Centennial Special Plate Fund to AHS to pay costs related to the maintenance and operations of the Centennial Museum that houses the Mining and Mineral Museum. To date, AHS has received \$126,500 in centennial plate funds.

As noted in the discussion above, the Mining and Mineral Museum is now closed. As a result, AHS may not have the authority to expend these funds. AHS, however, plans to utilize the funds in FY 2016 to support the curation of collections (including the mining and mineral collection), exhibits, and educational programs that were developed for the Arizona Experience Museum. The collections, exhibits, and programming will be primarily featured in the Papago Park facility.

Museum Attendance

Table 1

FY 2014 Museum Attendance	
Facility	Visitors
Arizona History (Tucson)	7,014
Downtown History (Tucson)	927
Fort Lowell (Tucson)	3,086
Sanguinetti House (Yuma)	2,066
Museum at Papago Park (Tempe)	3,375
Pioneer Museum (Flagstaff)	6,277
Riordan Mansion (Flagstaff)	<u>22,008</u>
Total	44,753

SUMMARY OF FUNDS

FY 2014 Actual	FY 2015 Estimate
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Federal Grants (HIA2000/A.R.S. § 41-821)

Non-Appropriated

Source of Revenue: Federal grants.

Purpose of Fund: To be used in accordance with the requirements of each grant.

Funds Expended

16,800 100

Year-End Fund Balance

100 0

SUMMARY OF FUNDS	FY 2014 Actual	FY 2015 Estimate
Permanent Arizona Historical Society Revolving Fund (HIA2900/A.R.S. § 41-826)		Non-Appropriated
Source of Revenue: Monies from the operation of gift shops, book shops, food service facilities, and charges for the use of or admission into any of the society's facilities.		
Purpose of Fund: For enhancing the programs of the society, or operating or improving its facilities.		
Funds Expended	395,800	524,500
Year-End Fund Balance	182,800	205,500
Preservation and Restoration Fund (HIA2125/A.R.S. § 41-825)		Non-Appropriated
Source of Revenue: Reproduction charges.		
Purpose of Fund: To preserve and restore historic photographs.		
Funds Expended	38,600	45,100
Year-End Fund Balance	45,300	38,200
Private Fund (HIA9447/A.R.S. § 41-821)		Non-Appropriated
Source of Revenue: Revenues are generated through memberships, unrestricted donations, and program revenue. The fund is held in trust by the Society Treasurer and invested with the State Treasurer's Local Government Investment Pool.		
Purpose of Fund: For operating expenses.		
Funds Expended	400,000	379,000
Year-End Fund Balance	747,000	728,500
Private Grants Fund (HIA9449/A.R.S. § 41-821)		Non-Appropriated
Source of Revenue: Derived from the AHS Foundation, National Endowment for the Humanities, and DeGrazia Foundation. The fund is held in trust by the Society Treasurer and invested with the State Treasurer's Local Government Investment Pool.		
Purpose of Fund: To be used in accordance with the requirements of each grant.		
Funds Expended	112,600	67,000
Year-End Fund Balance	38,400	19,000
Restricted Fund (HIA9448/A.R.S. § 41-821)		Non-Appropriated
Source of Revenue: Private restricted donations. The fund is held in trust by the Society Treasurer and invested with the State Treasurer's Local Government Investment Pool.		
Purpose of Fund: To be used for specific projects as designated by donor.		
Funds Expended	136,900	131,700
Year-End Fund Balance	266,900	233,800
Trust Fund (HIA9450/A.R.S. § 41-821)		Non-Appropriated
Source of Revenue: Monies held in trust for specific purposes. The fund is held in trust by the Society Treasurer and invested with the State Treasurer's Local Government Investment Pool. Only interest earnings are expended.		
Purpose of Fund: For operating expenses.		
Funds Expended	35,000	30,100
Year-End Fund Balance	198,300	168,700